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January 3, 2007

Via Facsimile (671) 477-9734

Anita P. Arriola, Esq.
Arriola, Cowan & Arriola
259 Martyr Street, Suite 201
Hagatna, Guam 96910

Re: Paoa v. Marati, et al., Civil No. 06-1-1358-08 KSSA

Dear Ms. Arriola:

This letter is to follow up on several items that we requested at the deposition of Jacqueline A. Marati:

1. We requested that you provide the names and address of the 28 members of Lina'La Sin Casino. Deposition of J. Marati at p. 30, line 10-14.
2. We requested that Ms. Marati produce a copy of the email that she sent to Lee Webber attaching the email from John Baker, Exhibit 4. Id. at p. 49, line 6-14. We have not received a copy of this email.
3. We requested that Ms. Marati produce all further press releases related to the Guam initiative. Id. at page 166, line 13-22.
4. We requested that Ms. Marati produce all transmittals of the press release that have not been produced and to confirm all recipients of the press release, including the Saipan Tribune. Id. at page 149 line 17 to p. 150 line 13.
5. We requested a copy of Exhibit 9 that showed the date the email was sent. Id. at page 152 line 5-7.


EXHIBIT J

Anita P. Arriola, Esq.
January 3, 2007
Page 2

Ms. Marati indicated that she would be able to respond to most of these items within one week. Despite her representations at the deposition, we have not received a response to any of these items. Accordingly, please provide this information to our office as soon as possible.

Sincerely,

BAYS, DEAVER, LUNG, ROSE & BABA

By: 
Bruce D. Voss
Attorney at Law, A Law Corporation
Its General Partner

BDV/MCC:ivi
cc: Rustam A. Barbee, Esq.

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Jacqueline T. Terlaje
Leevin T. Camacho

TELECOPIER COVERSHEET

DATE: January 5, 2007

TO: Bruce D. Voss, Esq. **FACSIMILE NO.:** 808-533-4184
Bays, Deaver, Lung, Rose & Baba

cc: Rustam A. Barbee, Esq. **FACSIMILE NO.:** 808-524-4306
Attorney At Law

FROM: Anita P. Arriola, Esq.

RE: Hoolae Paoa v. Jacqueline A. Marati, Lina'la Sin Casino, and Does 1-10, Hawaii
First Circuit, Civil No. 06-1-1358-08 KSSA

TOTAL PAGES TRANSMITTING (INCLUDING COVER SHEET): 11

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MESSAGE:

Transmitting letter dated January 5, 2007 with bates-stamp enclosures in connection with the above-referenced matter. Thank you.

APA/ett

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JAN 5 2007

EXHIBIT K

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Jacqueline T. Terlaje
Leevin T. Camacho

January 5, 2007

VIA FACSIMILE: 808-533-4184

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A Law corporation
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1099 Alakea Street
Honolulu, Hawaii 96813

**Re: Hoolae Paoa v. Jacqueline A. Marati, Lina'la Sin Casino,
Circuit Court, State of Hawaii, Civil Case No. 06-1-1358-08 KSSA**

Dear Bruce:

This is in response to your letter of January 3, 2007.

1. For the record, in your request for production of documents, you had previously requested all documents "relating to or illustrating the identity, residency, address, contacts with Hawaii, and contact information for each member/affiliate of Casino from January 1, 2006 to the present." As you know, Ms. Marati is not an officer or director of Lina'la Sin Casino ("Lina'la") and is not in possession, custody or control of Lina'la's records. She also stated that she did not have a copy of the listing. Nonetheless, I have obtained a list of the members from the Recording Secretary of the organization, which is attached hereto and identified as Bates-stamped nos. 000244-000245.

2. See attached document Bates-stamped nos. 000240 -000242.

3. Your request for production of documents did not include "all further press releases related to the Guam initiative." In addition, your request in Ms. Marati's deposition did not refer to "all further press releases related to the Guam initiative", but only those press releases issued after the press release attached to Ms. Marati's affidavit as Exhibit 1 was issued. Notwithstanding these objections, I enclose two press releases issued after Exhibit 1 was issued, which are attached hereto and identified as Bates-stamped nos. 000246-000247.

Page 2

Arriola, Cowan & Arriola

Bruce D. Voss, Esq.
Bays, Deaver, Lung, Rose & Baba
Re: Hoolae Paoa v. Jacqueline A.
Marati, Lina'la Sin Casino,
Circuit Court, State of Hawaii,
Civil Case No. 06-1-1358-08 KSSA
January 5, 2007

4. None, other than the ones previously produced and attached collectively as Exhibit 8 to Ms. Marati's deposition. Ms. Marati confirms that these are the only persons/entities to whom she sent the press release.

5. See attached document Bates-stamped no. 000243.

Immediately after her deposition, Ms. Marati provided me with the documents marked as 000240-000243. I fully intended to provide those to you and thought that I had. It was not until I received your letter that I realized they had not been provided. It was due to my oversight that they were not previously provided.

Very truly yours,



ANITA P. ARRIOLA

Enclosures

cc: Rustam A. Barbee, Esq.

mailbox:///C:/Documents%20and%20Settings/maratija/Application...

Subject: [Pwrt: info on the people behind the present gaming initiative (criminal records)]
 From: "Jackie A. Marati" <jamarati@bankofguam.com>
 Date: Fri, 28 Jul 2006 14:14:51 +1000
 To: lwebber@guampdn.com, L.Webber@guam.gannet.com

As requested. I will call to confirm receipt.

----- Original Message -----

Subject: info on the people behind the present gaming initiative (criminal records)
 Date: Wed, 26 Jul 2006 20:34:34 -0500
 From: "John Baker" <juamgaming@hotmail.com>
 To: L.Webber@guam.gannet.com

Joe,

Following is information on the people behind the present racino gaming initiative some of whom are felons and most of whom have been denied licenses in multiple states for irregular accounting practices, etc, and have been reported by the Washington Post to have failed to pay taxes, broken state gaming rules, forged petition signatures, etc.

Apparently they make their living gaming in to a race track, adding slots through heavily financed funding and then a sale of the property

PEOPLE INVOLVED

Shawn A Scott

Scott's mom (Victoria or Vicky Scott).

Hoolae Paos (currently in Guam currently heading the signature Drive - convicted felon).

John Baldwin (The main guy with the funds)

Robert L. Newell (Brother of Michael Newell - Hard Money Funding)

Victoria Scott (Mother of Shawn Scott)

Chun Kung Cho (Korean Investor)

Bridge Capital (US Virgin Islands) John's Company

(affiliated companies)

Capital Seven LLC - Las Vegas

All Capital LLC - Las Vegas (1055 east Tropicana Avenue)

Vernon LLC

All Vernon Acquisition, LLC

North Atlantic Investments LLC - Delaware

Other tracks affiliated besides Guam Greyhound:

Vernon Downs harness racing track in Vernon, N.Y

Bangor Historic Raceway - Maine

Mid State raceway Inc.

Vacation Village Hotel casino - Las Vegas

Delta Downs in Louisiana

000240

mailbox:///C:/Documents%20and%20Settings/mamitja/Application...

ARTICLES

<http://www.washingtonpost.com/wp-dyn/articles/A30891-2004Jul31.html> Bridge Capital is owned by Shawn Scott and John K. Baldwin, Las Vegas entrepreneurs who have tried for years to qualify for a license to operate a big-time gambling venture. They have had little luck, public records show. Scott, whose principles have received financial support from Baldwin, has been denied or failed to obtain gambling licenses in five states where regulators found evidence of financial mismanagement, irregular accounting practices and hidden partnerships.

http://www.harnesstracks.com/2003/DR1/DRF_December_17_2003.htm When the heavy hammer fell on Las Vegas promoter Shawn Scott late last week and the New York Racing and Wagering Board denied him and his chief lieutenant and convicted felon Hoolae Paoo licenses to operate in the state, Robert Burns and John Phillips came to mind... Scott probably will sue, as he has elsewhere, and as he is currently in Maine, where the racing board is meeting this week to consider his application for a license to run a racino at a little harness track in Bangor. It remains to be seen if a state like Maine will license a guy who is persona non grata in racing in a place like New York.

<http://www.washingtonpost.com/wp-dyn/articles/A37565-2004Aug3.html> The board also discarded dozens of petitions for a license, many of them marred by explicit fraud and forgery, including petition circulators who falsely claimed to have witnessed each signature.

<http://www.washingtonpost.com/wp-dyn/articles/A56463-2004Jun20.html> A drive to legalize slot machines in the nation's capital is the brainchild of a wealthy young entrepreneur who has been denied or failed to obtain gambling licenses in five states where regulators found evidence of financial mismanagement, irregular accounting practices and hidden partnerships.

<http://washingtontimes.com/metro/20040714-110115-8009r.htm>

The project is being bankrolled by two Virgin Islands-based venture capital firms — Bridge Capital LLC and North Atlantic Investments LLC. The two companies have paid more than \$617,000 to try to get a slots referendum on the Nov. 2 election ballot. The Washington Times reported Monday that Bridge Capital President John K. Baldwin was a partner in a company that in the late 1990s owned gambling halls in South Carolina that failed to pay taxes and broke state gaming rules.

<http://bangorinfn.com/Journal/december2003/journal.html>

Shawn Scott has shown himself to be a vindictive man who cares not for a dying industry but for his wallet... Scott's presence in the state's racing community would become a blight. It already is a blight.

<http://news.maineoday.com/indepth/gambling/031217nemitz.shtml> ...we'll be hearing from Scott when he takes the witness stand some time in the coming days. And then, at last, he can explain how he's managed in only a few months to morph from the scion of Maine harness racing into the favorite for the industry's Jackass of the Year Award.

<http://www.lasvegassun.com/sunbin/stories/gambling/2003/dec/02/515952396.html> Lawyers for Las Vegas investor Shawn Scott are trying to block the public release of records obtained by the Maine Harness Racing Commission.

<http://www.indiancountry.com/content.cfm?id=1080320539> ...it has turned out to be a major embarrassment for Maine. ...a state investigation turned up so many questions about the applicant, Shawn Scott that it looked as if he might not even qualify for the harness racing license. ...Scott, who sponsored the Maine racino referendum through a Las Vegas partnership called Capital Seven LLC, has been the front man in several deals involving smaller racetracks in the South and Upstate New York. ...While conducting licensing investigations of Scott, gaming regulators in several states have focused on his ties to a family of South Korean investors, a Hawaiian right-hand man with a criminal record and a close business associate originally identified only as "Mr. A."

<http://www.gazetteonline.com/2003news/12052003/news/14016.htm> A 32-page report by the Maine Harness Racing Commission director was made public after the state supreme court refused Scott's request to keep black its release... The report says Scott's chief executive officer at Capital Seven, Hoolae Paoo, has a history of arrests and convictions in Hawaii from 1978 through 1997. The offenses range from theft in third-degree assault and criminal contempt of court. It also says Scott has ownership in dozens of companies, which have demonstrated "sloppy, if not irresponsible, financial management and accounting..."

<http://news.maineoday.com/indepth/gambling/031203nemitz.shtml> show results. The answer Tuesday morning was the same it's been since all of Maine began wondering "Who is this Shawn Scott and what is he trying to hide?". He's mixed in an ugly brawl with Scarborough Downs and other elements of Maine's harness racing industry...

<http://news.maineoday.com/indepth/gambling/031203nemitz.shtml> ...a fax from Hawaii's Attorney General Investigations Division regarding "Hoolae Paoo's criminal record." Correspondence from New York's Racing and Wagering Board "regarding Hoolae Paoo's criminal record and tax liens." "Who is Hoolae Paoo? Until last year he was CEO of Capital One LLC Capital Seven's parent corporation. News reports last week revealed that he pleaded guilty to felony theft in Hawaii in 1984, and was convicted of assault in 1997."

000241

mailto:///C:/Documents%20and%20Settings/mamija/Application...

<http://www.utterson.com/archive/2003/11/20/news/20349.html> VERNON - The president of Vernon Downs said he would step aside if his past criminal convictions hurt the racetrack's chances of opening a casino. Hoolac Pans, the president and chief executive officer of Mid-State Raceway, the company that runs Vernon, was convicted of felony theft in Hawaii in 1984. He pleaded guilty to stealing from a management company, in satisfaction of a 27-count indictment obtained by the Times Union of Albany. He also pleaded guilty in 1997 to assaulting his wife, and had been convicted of abusing her in 1992 before they were married, according to the Post-Standard of Syracuse.

http://www.enrinyvaluation.org/index.php?blog=3&title=portland_press_herald_www_uninfectuway.com&more=1&c=1&b=1&ph=1 Reporter Dawn Gagnon, writing in the Bangor Daily News on May 23, 2003, stated that the Robin study "was commissioned by Capital Seven LLC, owned by Nevada businessman Shawn Scott. A spokesman for Capital Seven said the study cost about \$20,000." A shortcoming of the Robin study is the fact that a number of major negative impacts are simply omitted.

<http://www.casinoman.net/gambling-news/article/maine-racing-commission-report-raises-concerns-about-casino-devel.2381.asp> and a myriad of other articles

It's the future and it's free: Windows Live Mail beta

Tag: gillian A. Burt
Vice President/Manager Research and Marketing Administration
Tel: 601-472-5259
Fax: 601-472-6786
Cell: 601-472-5259

000242

mailbox:///C:/Documents%20and%20Settings/nmariti/Application...

Subject: Guam - Greyhound Racing Initiative
From: "Jackie A. Marati" <jammariti@bankofguam.com>
Date: Sat, 29 Jul 2006 08:45:07 +1000
To: dornthy@jdcowatch.com

Hafa Adai from Guam, Ms. Drizil:

I am Jackie Arriola Marati, daughter of the late Senator Elizabeth P. Arriola who successfully fought 3 initiatives to legalize casino and other forms of gambling here in Guam, a territory of the United States.

The Guam Greyhound firm (only parimutuel racing facility on Guam) seeks to have an initiative placed in this November's ballot to legalize slot machines on the facility exclusively. Petition circulators are being paid \$5.00 per signature.

The principals are, I am sure, familiar to you. They include:
John K. Baldwin
Shawn Scott
Victoria Scott
Hector Paoa
Robert Newell
and their affiliated companies and/or organizations.

Any assistance or advice you can provide to our organization is greatly appreciated.

Thank you and Si Yu'os Mu'asa.

Jackie Marati, Spokesperson
Lina'la Sin Casino (Life without Casinos)

—
Jacqueline A. Marati

Tel: 671-472-5254
Fax: 671-477 6796
Cell: 671-698-5305

000243

Linda's Sin Casino
Members/Supporters

- Archbishop Anthony S. Aquino
Arrida, Jay
Arroyo, Raymond
Barcinas, Jojima
Conecho, Lourdes
* Cruz, Jose G. DR. - President
Cruz, Rosalia
Dennis, Bill
Duenque, Ben
* Duenque, Ben Jr. DR. - Vice President
Flores, Annie
Flores, Frank
Domestic, Julia
Kasperbauer, Carmen
Leon Hueneo, Shawn
Manibusan, Carmen
* Quintana, Maria (Mac) - Treasurer
Quintana, Roman
Rapada, Ceila
Salones, Ad
Salones, Jo
* Sanchez, Flo - Corresponding Secretary
Sister Maria Dolores
Sister Marie Pierre
Sister Joseph Quisene
Sister Theresa Perry
* Sucaldito, Cefesino - Historian
Sullivan, David - ~~Historian~~
* Sullivan, Pramilla - Public Relation

Mea

05/12/06

Lenoir, David Owen
Lenoir, Mark
Loren, Ray
Ulloa, Jeanita
Umpierrez, Best
* Urtubia, Elizabeth - Recording Secretary

* - Executive Officers

000245

LINA'LA SIN CASINO

Jacqueline A. Marati
imarati@ite.net
(671) 688-5305

FOR IMMEDIATE RELEASE

LINA'LA: ONLY U.S. CONGRESS CAN LEGALIZE SLOTS

Initiative Sponsor Leaves Island!

August 1, 2006, Hagatna, Guam. Local initiatives cannot overturn federal law. That's what casino gambling opponents cite in reviewing the proposed Greyhound initiative, as well as the failed Washington, D.C. initiative.

The Johnson Act is the federal legislation that forbids the manufacturing, reconditioning, repairing, selling, transporting, possession or use of gambling in the United States.

Under 15 U.S.C. 1173, which applies to states, they may exempt themselves from these prohibitions. This section is cited in the proposed initiative.

However, the applicable section, 15 U.S.C. 1175 applies specifically to the District of Columbia and possessions of the United States and says,

"It shall be unlawful to manufacture, recondition, repair, sell, transport, possess, or use any gambling device in the District of Columbia, in any possession of the United States, within Indian country as defined in section 1151 of Title 18 or within the special maritime and territorial jurisdiction of the United States as defined in section 7 of Title 18, including on a vessel documented under chapter 121 of Title 46 or documented under the laws of a foreign country."

This section is NOT cited in the initiative. The late Senator Elizabeth P. Arriola cited these issues in her successful efforts to defeat legalized gambling.

According to anti casino gambling supporters, only the U.S. Congress and not a local initiative can overturn this law. According to Jackie Marati, Lina'la spokesperson, "The Greyhound Proponents have a history of rushing and financing gambling initiatives. Unfortunately, they should know that Guam is a territory, not a state."

In other news, members of Lina'la Sin Casino have learned that initiative sponsor Jodie Vida has left Guam and is reportedly in Hawaii.

Efforts to engage local Greyhound initiative backers have been futile, as they have refused to return media phone calls.

000246

LINA'LA SIN CASINO

Jacqueline A. Marat
jmarati@ite.net
(671) 688-5305

FOR IMMEDIATE RELEASE

90% to Greyhound, 10% to Guam Special Deal Other Governments Receive Double That and More

August 2, 2006, Hagatna, Guam.

"It shouldn't be called 'revitalizing Guam tourism, it should be called "revitalizing Greyhound and its new owners." That's the substance of what Lina'la Sin Casino calls the biggest con in the most recent effort to legalize gambling here in Guam.

What has Greyhound done for this territory, and why are they now the "favored" company that gets to keep 90% of net income? While the company has been here for over 30 years, their new owners are just that – new.

But wait, there's more.

"There shall be no other tax, fee, levy or other charge assessed against Slot Machine Gaming Operations and/or Gross Slot Income." No GRT?

While many of our taxpayers pay their fair share of taxes for years, why is it that a new owner gets such special treatment?

That is what the Lina'la supporters want to debate with supporters of the proposal to give Greyhound a special favor and grant them legalization of slots on their facility.

Now that we know who those individuals are, we extend a most cordial and Chamorro invitation to engage in dialogue and debate.

Anytime. Anywhere.

000247

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAII

HOOLAE PAOA,)	CIVIL NO. 06-1-1358-08 (KSSA)
)	(Other Non-Vehicle Tort)
Plaintiff,)	
)	CERTIFICATE OF SERVICE
vs.)	
)	
JACQUELINE A. MARATI, LINA'LA SIN)	
CASINO, and DOES 1-10,)	
)	
Defendants.)	
_____)	

CERTIFICATE OF SERVICE

I hereby certify that on January 8, 2007, a true and correct copy of the foregoing document was served on the parties listed below at their respective addresses by U.S. Mail, first-class postage prepaid:

RUSTAM A. BARBEE, ESQ.
1188 Bishop Street, Suite 2606
Honolulu, HI 96813

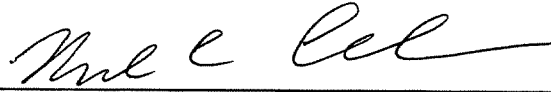
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Hagatna, Guam 96910

Attorneys for Defendant
JACQUELINE A. MARATI

MICHAEL F. PHILLIPS, ESQ.
410 W. O'Brien Drive, Suite 102
Hagatna, Guam 96910

Attorney for Defendant
LINA'LA SIN CASINO

DATED: Honolulu, Hawaii, January 8, 2007.

A handwritten signature in black ink, appearing to read "Bruce D. Voss" and "Michael C. Carroll", is written over a horizontal line.

BRUCE D. VOSS
MICHAEL C. CARROLL

Attorneys for Plaintiff
HOOLAE PAOA